TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

March 3, 2004

TO: Internal File

FROM: Wayne Western, Team Lead and Environmental Scientist III

RE: Revision of Chapters 2 and 3, Canyon Fuels Co., Soldier Canyon Mine,

C/007/0018, Tasks #1784

SUMMARY:

On September 5 and December 15, 2003, the Division received an amendment for the removal of the waste rock site and preparation plant at the Soldier Creek Mine. Those items were permitted but never constructed. The Soldier Canyon Mine is currently on standby status and the Permittee is interested in reducing the bond by eliminating items from the MRP that do not exist. If the mine is reactivated the Permittee will most likely not use a preparation plant since most to the coal produced in Utah is sold run-of-mine and the waste rock disposal facility at Dugout Canyon (a sister mine) could be used to dispose of coal mine waste.

A sister amendment 1829 deals with removing references for the waste rock disposal site and preparation plant from Chapter 5 of the MRP and a bond adjustment. Most of the engineering and bonding issues will be discussed in the technical analysis of that amendment.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

The Permittee first attempt to remove the preparation plant and the waste rock site were denied by the Division because there were some aspects of the reclamation plan that were based on the assumption that the waste rock site would exist during reclamation. For example, the reclamation plan called for cut material to be placed at the refuse site.

The Permittee wanted to handle the removal of the waste rock site and preparation plant by dividing the different chapters and submitting them as semi-independent amendments. The Division agreed to the approach and decided for consistency the same team lead for all those amendments.

There were not engineering or bonding issues in Chapter 1 and Chapter 2. A discussion of those issues is given in other technical analysis.

RECOMMENDATIONS:

This Division should approve the amendment.

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